

U.S. Army Medical Research Acquisition Activity



It's Awarded, Now What?
Fundamentals of Award Management

USAMRAA Stand Down Days
25 -26 October 2006
Presented by
Pamela L. Fisher
Contracting Officer/Grant Officer
Account Manager





Major Topic Areas

- Purpose of Contract Administration
- ▶ Managing Performance Based Contracts
- ► The Role of the COR/GOR
- **▶** Reports
- Cost Controls
- In scope changes. v.s. New Requirement
- Options Exercising the Options in the Award, not Creating New Options
- ► The Pay-Off





▶ Purpose of Contract Administration

◆ To ensure compliance with the terms and conditions of the contract as measured by:

- **×**Quality performance
- *****Adherence to schedule





Who has time?

USAMRAA is a cradle to grave organization which means the activities that are easiest to measure are new acquisitions, e.g, pre-award and award activities. Administration is not easy to capture on a PALT or status report. We sometime find ourselves in crisis management of awards.





How is Contract Administration Accomplished?

- Administration is performed by the requiring office in partnership with the contracting office
- The Contracting Officer's Representative (COR) and the Grant Officer's Representative (GOR) are the eyes and ears of the Contracting Officer.







- Performance based contracts require a level of commitment and teamwork from all involved that exceeds other types of contract.
- Success of a PBA (Performance Based Acquisition) is dependent upon the effort and resources invested into monitoring contract performance





Activities in Contract Administration

- Conducting postaward conferences
- Monitoring contractor progress
- Communicating with the contractor
- Analyzing and negotiating changes to the PWS and the QAP
- Resolving performance deficiencies
- Inspecting and accepting acceptable performance
- Providing feedback to the contractor
- Reviewing an determining contractor payment
- Penalizing or incentivizing as appropriate





COR Requirements

- ◆ Direct-hire U.S. Government employee (can be IPA)
 - **▲** Appointed in writing by the CO
- Proof of Training is required
- ◆ Duties outlined in appointment memo from CO.



The Role of the COR/GOR



- Monitors compliance with contract/grant provision
 - * Methods include personal site visits or observation of work reviewing progress/technical reports
- Performs inspection and acceptance
- ◆ Keeps CO apprised of deficient performance
- ◆ The COR/GOR is not authorized in any way to commit the U.S. Government



Reports



- ◆ Technical -
 - * Contracts A timely and thorough review of all required reports ensures any corrective action is timely.
 - * Grants Technical reports can identify possible changes in the research that had not received the proper approval and problems with human and animals approvals which could effect the progress of the research.



Reports



- Financial -
 - **×** Contracts -
 - **★** A critical review of invoices can highlight potential problems of cost overruns
 - **▼**Examine vouchers to determine allow ability of cost
 - **▼** Find and correct mistakes
 - **★** Grants
 - ➤ Can provide clues to problems with the progression of the research
 - **▼** Monitor the amount of unexpended funds



Cost Controls



◆ Contracts – ensure cost elements are not exceeded

• Monitor new companies indirect rates to detect any large variances. May negotiate caps on indirect rates to help mitigate cost of final audit rate adjustments



New Requirement v.s. In Scope Changes.



- New requirements are requirements that were not envisioned at time of contract award and so they do not fit within the scope of the contract. Thus, new requirements are accomplished as separate awards.
- In scope changes can be effected by modification as long as the change is not so substantial as to create a new requirement. AFARS 5117.290



Options – Exercising the Options in the Award, not Creating New Options



- An option must be priced at time of award
 - Option to extend the period of performance
 - Options for additional level of effort or tasks

New options = additional work and can only be done with the appropriate level of review and approval, e.g, sole source justification.



The Pay Off



- Good contract administration equals:
 - ◆ Better product
 - Timely delivery or performance
 - ◆ No surprises